

# The PEGASUS File

*This former CIA deep-cover agent has turned whistleblower at great risk.*

*His shocking allegations expose powerful names controlling the international drug trade in very high places.*

*Part 1*

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Vietnam Special Forces Air Combat Controller; 25-year CIA deep-cover agent; US Army pilot flying classified missions during the US invasion of Grenada; Iran-Contra pilot flying cocaine shipments labelled as medical supplies; and member of the ultra-secret, international G7-run Pegasus "hit team"...this is the extraordinary story of Gene "Chip" Tatum.

From sensitive, highly secretive (and hitherto largely unknown) Special Forces covert operations in Cambodia, to wandering CIA asset; through to "black ops" activities in Grenada and Oliver North's Iran-Contra "Enterprise", as well as membership in an international "hit team", Gene "Chip" Tatum has seen it all, done it all and is now *telling* it all.

Tatum claims to know where the skeletons are buried. Above all, he is aware that his testimony implicates serving and former US Presidents plus a whole list of high-level government officials and others in a welter of nefarious activities—including assassination, blackmail, coercion, gun-running, money-laundering and cocaine-trafficking.

Tatum, a lanky Floridian, turned whistleblower following his arrest on a treason charge in early 1995. The charge was both astonishing and patently ludicrous, and was later dropped and replaced by a fraud charge—a drastic step-down. Found guilty, he was sentenced to serve a 15-month sentence. In March 1996, an additional charge—conspiring to embezzle—was brought against him. Found guilty, he was incarcerated in Jesup Federal Correctional Facility, Georgia, where he is serving a 27-month concurrent sentence. Ensuing press interest resulted in one article appearing in the *Tampa Tribune* on 4 May 1996.

Many questions continue to hang over the conduct of the trial. His defence lawyer refused to call any of the 80 witnesses whom Tatum nominated for the defence. Later, his lawyer freely confessed to having come under pressure from the US Department of Defense. Tatum says the first charge was a set-up to discredit him following his "resignation" from "Operation Pegasus". The second charge he views with greater scepticism and concern.

Tatum's resignation from Pegasus followed his refusal to "neutralise" a leading US political figure in the 1992 US presidential elections. Tatum declares he will not "participate in assassinations of any sort, character assassinations or anything, of American citizens". He goes on to explain that back in 1994, in a telephone conference call involving Oliver North, Felix Rodríguez and the late William Colby of the CIA, he was warned to turn over incriminating documents and tapes he had accumulated for his "retirement". He wryly observes that had he done so, he would probably have been quickly "terminated" in an "extreme" way—a speciality of the Pegasus team of which he was once a member.

Countering this demand, Tatum volunteered to plead guilty on a fabricated felony count and serve a 12-month sentence—so that his credibility would be damaged in the event he ever decided to speak out. His incarceration for the second charge—and especially the six-month sentence of his wife, Nancy—led him to speak out about his life, almost 30 years of which he served as a "black" operative, and to reveal and destroy the command structure of Pegasus. It is an extraordinary story.

## "OPERATION RED ROCK"

Tatum has written of his early career in the military, and his involvement in a highly sensitive and classified operation, in an unpublished manuscript entitled "Operation Red Rock". Joining the Air Force in February 1970, he went through Army jump school,

escape and evasion training, jungle training, sea survival school and diving school and was assigned along with six others as "Combat Controllers" (the USAF equivalent of Special Forces), receiving his distinctive Special Forces burgundy-coloured beret. From there he was assigned to Tinker Air Force Base, Oklahoma, and then on to Fort Bragg, North Carolina—home of the "Green Berets"—for training in C4 plastic explosives, mines, nuclear, biological and chemical warfare, plus indoctrination in electronic and psychological operations.

Posted to South-East Asia as Airman First Class (A1C) in December 1970, he was assigned as a radio operator on a Forward Air Control (FAC) aircraft attached to Task Force Alpha at Nakhon Phanom, Thailand. In short order he was recruited (an involuntary "volunteer") to "Team Red Rock". The team was composed of eight US Army Green Berets, three US Navy SEALs and two "cowboys"—a euphemism for CIA paramilitary specialists. With Tatum attached, Team Red Rock totalled 14 in all, and was about to be tasked with an operation that came directly from the White House.

In January 1971 the team received a final briefing from General Alexander Haig, who had flown in specially, along with CIA Saigon Chief William Colby—nicknamed by the team as "Mr Peepers" because of his resemblance to a well-known character in a TV sitcom. Haig and Colby outlined the plan, stressing its importance and extreme classification. President Nixon, desperate to quell domestic riots over an increasingly unpopular war, sought to withdraw all US personnel from South-East Asia. Withdrawal would—and, in the end, ultimately did—cause a military vacuum, quickly leading to the defeat of South Vietnamese forces.

During those years, Nixon was also running a "secret war" in Cambodia and Laos. In Laos, a dwindling number of Meo tribesmen, together with covert US personnel employed by the CIA

proprietary company, Air America, were battling against superior North Vietnamese ground forces. A much similar pattern was occurring in Cambodia, amid grave fears that the "domino theory" would result if either of these two nations were to fall to the Communist North Vietnamese. Nixon hoped that the vacuum caused by the withdrawal of US covert forces could be filled by native Cambodian forces. Lon Nol, the Cambodian leader, stubbornly continued to resist Nixon's diplomatic overtures to take up the slack, being anxious to hedge his bets and realistic about his chances of survival as Khmer Rouge and Vietnamese forces prepared to swarm in, unhindered by US air power.

A plan had been drawn up at the highest levels of Nixon's administration. Team Red Rock were to enter Cambodia's capital, Phnom Penh, in secret and attack the airport and military and civil installations, wreaking as much havoc as possible. The plan called for the team to parachute into the outskirts of Phnom Penh, carrying captured NVA "Sappers" with them. Taken in unarmed and alive, the Sappers would be "sacrificed" and their bodies left to be discovered by Cambodian forces. A furious Lon Nol would assume North Vietnam was to blame. It was hoped that such an act would stiffen Lon Nol's backbone. With nowhere else to turn, the US puppet would urgently seek US hardware to strengthen his forces and continue the battle.

The team members were not told that they, too, were to be sacrificed by their President to ensure that word of the operation never reached the light

of day. A detachment of Montagnard tribesmen ("the Yards"), in the pay of the CIA, was assigned to liquidate each member of the team and dispose of the bodies. The attack went successfully, but the team's suspicion of "the Yards" foiled the betrayal. Using their knowledge of "escape and evasion" tactics, the team decided to trek to the Vietnamese border and back to safety with US forces.<sup>1</sup>

Casualties thinned out their numbers until only eight of them remained. Soon these, too, were captured by NVA regulars and underwent hideous torture at the hands of Chinese and Russian interrogators. Ultimately, only Tatum and one other team member survived the ordeal.

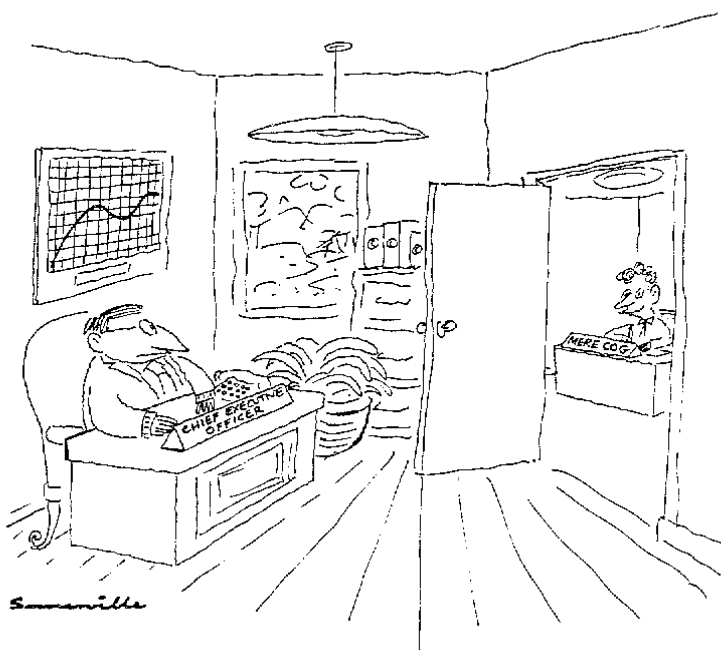
Convalescening, Tatum was debriefed by CIA station chief, William Colby, and told he would, in future, be kept close to "the Agency". Recruited into the CIA, the yawning door of future "black" operations creaked open. Life would never be the same again for Chip Tatum.

#### CIA DEEP-COVER AGENT

For the next 10 years or so, Tatum's covert activities were varied. For a while, he worked out of Homestead Air Force Base where he was NCIOC of the tower receiver sight and MARS station. This was the base which then-President Nixon used for his frequent visits to the Key Biscayne, Florida, "White House". Much of this period remains obscured behind a thick blanket of classification.

From there, he was stationed in northern Italy, tasked with visiting the border towns of Yugoslavia and Italy. Colby felt that as a young Air Force man, Tatum might be "approached" in these towns for "information". The idea was to make contact with foreign agents and covertly gather information about them and their

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operations. Later, he was tasked with infiltrating Yugoslavia in order to gather intelligence on potential successors to the then Yugoslavian President Tito.

Tatum was also sent to search for missing US POWs from Vietnam and elsewhere in South-East Asia.

By 1976, Tatum was operating out of Lamar, Colorado, in a communications facility called OLAB. His contact there was Don Holmes, president of Valley—a Savings & Loan bank.<sup>1</sup> Tatum acted as his courier, shuttling between Lamar and Springfield, Colorado, with transaction files. From there he was transferred to MacDill Air Force Base, Tampa, Florida.

Shortly before his MacDill posting, Tatum received a call from Colby telling him he was resigning his position as Director, Central Intelligence, and recommending Tatum should deactivate his clandestine CIA activities. Colby continued, saying that remaining active without Colby there to protect him might place him in personal "jeopardy", as he had powerful enemies in Washington. This warning referred to Nixon, Kissinger and Haig, and Tatum's role in and survival from "Operation Red Rock".

Tatum took good notice of the warning and became deactive. Later, in 1979, he requested and was granted entry into a USAF Reserve program. Leaving active military service he moved to Gunnison, Colorado, and took up a position with Bo Calloway, owner of the Crested Butte ski area. The appointment was arranged by Colby.

During 1980 he received a visit from two men who informed him he was being reactivated, but into the US Army instead of the Air Force. He was sent to the US Army Flight School for rotary-wing training at Fort Rucker. From there he was assigned to the 160th Aviation Battalion/Special Forces at Fort Campbell, Kentucky. Shortly afterwards, the 160th combined with others to form Task Force 160.

It was in this unit that Tatum played a "spooky" role in the US invasion of Grenada. A photograph of him standing in front of his MD-500 Defender gunship on the beach-head in Grenada, appeared along with a feature story in the Louisville *Courier-Journal*. Tatum will only say of this episode that he "wasn't there", in the same sense that he "wasn't in Cambodia".

At that time he was attached to the US Army's 160th air wing at Fort Campbell. Not only was the Hughes helicopter then *not* in the Army's inventory, but the 160th didn't officially exist. Jim Malone, of the Louisville *Courier-Journal*, finds this extraordinary. He has documents showing the 160th was stationed at Fort Campbell, even though officials in the Pentagon continue to deny it—as they deny the wing's role in Grenada. Malone, in a telephone conversation with this writer, advised that the 160th is now stationed at Fort Bragg, North Carolina—home of the famous Special Forces, the Green Berets. Their mission is to fly "Delta teams" on covert assignments, Malone added.

#### THE CONTRA COCAINE TRAIN

During 1983, Colby established contact again, advising Tatum he would shortly be contacted by "a man called North". This, as

Tatum was to discover later, was none other than Lt Col. Oliver North—the central architect of America's Nicaraguan Contra campaign. Besides fighting a covert war, North was also the link-man in much, much dirtier work.

The "Contragate" years teem with well-documented accounts of illicit wholesale gun-running and dope-smuggling. The exposé series published in Autumn 1996 by the San Jose *Mercury-Post*, entitled "The Dark Alliance", openly finger-points at the CIA and the Reagan administration for turning a blind eye to massive cocaine smuggling. Moreover, the series of articles claims that the explosion of "crack cocaine" in Los Angeles resulted entirely from the Contra leaders-cum-dope peddlers who made vast personal fortunes from their activities. Today, the official argument remains that the Contras were "freelancing" without the knowledge or consent of their CIA "handlers" or North's so-called

"Enterprise". Despite these assertions, mountains of hard evidence point in a different direction. Included in this evidence is an entry from North's own diary which shows his knowledge of cocaine shipments.

In stark contrast to these denials, Tatum says that North's "Enterprise" not only set up the cocaine factories and "ran" the Colombian cartels, but was also responsible for masterminding the massive shipments of narcotics into the US. Significantly, he is not alone in making these accusations. A number of those

involved in Col. North's operations have subsequently come forward and spilled the beans. Almost all of these "whistleblowers" have been hounded and imprisoned. Some have died, whilst others have fled. The whole Contra thing, Tatum states, was also being used by an extremely covert group called Pegasus.

During February 1985, Tatum was piloting "Dustoff" (Medevac) flights for the US Army's 3/498th Medical Company, stationed at Fort Stewart, Georgia. Two flight crews, including Tatum's, were transferred to

Palmerola Air Base, Honduras. Each flight consisted of a pilot, copilot, medic and crew chief. Once familiarised, they assumed the Medevac mission for Joint Task Force Bravo. Previously, in 1984, Tatum infiltrated the 3/498th on the instructions of Lt Col. Oliver North who had established contact under the code-name "Jake" (North had "control" of the 160th air wing and was also deeply involved with the tactical planning of "black ops" missions in the Grenada invasion).

On 15 February 1985, during a flight to La Ceiba, Honduras, he was instructed to contact his local "handler", Major Felix Rodríguez—later to prove a major figure in the Iran-Contra investigation. Rodríguez informed Tatum that in addition to his Army "Medevac" duties he was to support covert "Pegasus" missions. These, he was told, would take priority over his other duties. He was also given his "chain of command": three individuals, any of whom could authorise Pegasus missions.

In addition to Oliver North and Felix Rodríguez, Tatum would henceforward take orders from Amiram Nir, a former Mossad agent and advisor to Vice President Bush. Aviation support for

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Pegasus missions operated out of Ilopango Air Base, Honduras (home of the CIA proprietary airline Corporate Air Services) plus numerous Contra camps located in the jungles and mountains along the Honduras-Nicaragua border.<sup>3</sup> A common feature of all future Pegasus missions was the transport "of large white coolers in and out of the Contra camps".

On 26 February 1985, Tatum and his crew were instructed to fly two individuals to one of the larger Contra camps on the Honduran border. His flight log lists the names of the two individuals as Bill Cooper and Buzz Sawyer, both of whom worked for Corporate Air Services. Following a meeting between the CIA agents and Contra leaders, Tatum was given a sealed cooler, marked "Vaccine", weighing approximately 200 pounds, and instructed to deliver it to a USAF C-130 transport plane at La Mesa Airport, Honduras. Two crew members offloading the cooler accidentally dropped it, breaking the seal. Inside were over 100 bags of cocaine. Tatum resealed the cooler and later watched as it was transferred aboard the C-130, outward bound for Panama.

On his return to Palmerola Air Base, Honduras, Tatum phoned Col. North to advise him of his discovery. North replied that it was "a trophy of war" and that the "Sandinistas are manufacturing cocaine and selling it to fund the military". North closed the conversation by saying that "the cocaine was bound for the world courts as evidence" against the Sandinistas.

The whole incident struck Tatum as odd and reminded him strongly of earlier missions dating back to 1983-84 when he was stationed at Fort Campbell, Kentucky, as a Special Operations pilot. Regularly he would trans-ship white coolers, marked as "Medical Supplies", to Little Rock Air Force Base, Arkansas. On two occasions he carried similar coolers to Mena Airport, Arkansas. Deliveries of medical coolers to Little Rock AFB were picked up by Dr Dan Lasater—a close confidant of the then Arkansas Governor Bill Clinton.

By now, almost two years later, Tatum had decided to document his discovery to safeguard his "retirement". Thereafter, he documented all Pegasus flights on the reverse of his flight logs.

This was a difficult time for Tatum, since he had three balls to juggle at the same time. On the one hand he was flying classified active-duty missions for the US Army; on the other, he was flying CIA missions arranged through Mil. Group A (CIA), located at the embassy in Tegucigalpa, Honduras; and thirdly, he was flying Pegasus missions under the control of William Colby, Oliver North and George Bush following his recruitment into Pegasus by Colby in 1986.

Tatum completed numerous missions during his rotation out of

Honduras. Picking up and trans-shipping coolers containing cocaine was a regular event. Extraordinarily, this included infiltrating Nicaraguan airspace (Tatum says it was not difficult to infiltrate any country and that "foreign powers" would kill to know how it is done), and landing at Bluefields Air Base with deliveries for placement aboard civilian C-123s and C-130s.<sup>4</sup> This mission was followed by a brief stint in Colombia, where he was assigned to assist the Drug Enforcement Administration's "War on Drugs", only to discover the DEA was heavily engaged in narcotics trafficking.

### THE "BOSS HOG" LIST

One of the most flamboyant individuals involved in the cocaine trail from Columbia through Honduras to Panama and on into the

United States, was Barry Seal. Seal flew an assortment of aircraft, offloading shipments of weapons in South America and picking up deliveries of cocaine for his return flight to the US on behalf of Col. North's Enterprise. His primary base of operations was Mena Airport, Arkansas.

A CIA "asset", Seal was later arrested and became a DEA informer. Prior to his killing in 1986—allegedly by a Medellín cartel assassination squad in revenge for informing on them—Seal openly boasted he had information that implicated high-level government officials, including then-Vice President Bush, in the Enterprise's narcotics-trafficking business.

Tatum would soon get to meet

Barry Seal and become close friends. Tatum recalls being present during a meeting between Oliver North, Felix Rodríguez, Amiram Nir and General Alvarez from Honduras, when North stated that Vice President Bush was going to have his son Jeb arrange "something out of Columbia". This conversation focused on Barry Seal's increasingly notorious activities. When Tatum later heard Seal had died, he

immediately understood who was behind the killing. The discussion also made it clear that VP Bush, Governor Clinton and his three respective "handlers" were knee-deep in the cocaine venture and making fistloads of money.

Unknown to all those present, Seal had earlier provided Tatum with a list of names of those high-level government officials deeply involved with or responsible for controlling the narcotics business. Seal called them the "Boss Hogs". Tatum has kept this list a tightly-held secret until recent weeks. The list cites the surnames only, and is reproduced above, as I received it, complete with misspellings as written. I have appended their full names and titles in brackets.

### "BOSS HOGS" — UNITED STATES

- Casey (William Casey, Director Central Intelligence)
- Clair-George (Clair Elroy George, Head of CIA's Central American Task Force)
- Bush (Vice President George Bush)
- Kissinger (Dr Henry Kissinger, Chairman, Kissinger Associates; former US Secretary of State; former National Security Adviser)
- Haig (General Alexander Haig, former Secretary of State)
- Greg (Donald Gregg, former National Security Adviser to VP Bush, Ambassador to Korea and alleged joint "Controller" of Panama's Manuel Noriega, along with William Casey)
- Clairage (Duane "Dewey" Clarradge, CIA)
- Fernandez (Joseph Fernandez, CIA Costa Rica Station Chief)
- North (Lt Col. Oliver North, National Security Council aide)
- Singlaub (John Singlaub, CIA covert operator)
- Colby (William Colby, Director Central Intelligence, 1973-76)
- Secord (Richard V. Secord, regarded as a "brilliant" CIA black operative)
- Weld (William Weld, head of Criminal Division, US Department of Justice; instrumental in "blocking" Senate investigations into narcotics, according to testimony of former Senate special investigator, Jack Blum)
- Rodriguez (Felix Rodríguez, CIA officer with close connection to VP Bush)
- Peroot (General Peroot, Defense Intelligence Agency)

Most, if not all of these names are readily familiar to Contragate investigators and journalists covering this story. Allegations regarding the involvement of former President George Bush in the cocaine business are by no means new—they abound in plentiful supply. The fact that Bush pardoned a number of his closest advisors, who were facing criminal prosecution and possible imprisonment, late on Christmas Eve 1992, just weeks before Bill Clinton's inauguration, left a sour taste in the mouths of many. If prosecuted, they clearly would have fingered the President himself.

#### **PEGASUS: DIRTY MONEY LAUNDERING**

But Tatum's story takes us even further along the dark road of power, greed and corruption. During 1986, he had left Honduras and set up a money-laundering business in Watertown, New York State, close to the home base of the Army's 10th Mountain Division at Fort Drum. The location was chosen with care. With access to Fort Drum's telephone lines for secure communications, he was assigned a Cherokee-140 fixed-wing aircraft,<sup>5</sup> used to ship personnel and supplies across the Canadian border under radar cover. His tenure with these companies lasted from 1986 through to 1990. This was a pure Pegasus operation.

It was at Watertown that Tatum was provided with a civilian cover in the form of three construction companies: American National Home Builders, American Constructors and American Homes. Funding was provided by Henry Hyde, an Illinois Republican politician and well known as the CIA's "black money" man. Hyde provided a US\$250,000 line of credit with Key Bank, Watertown. Although Tatum was listed as the president in all three companies, in reality all were under the control of Ben Whittaker, a lawyer from Rochester, New York. Whittaker, Tatum says, is closely associated with Tony Wilson of the Wilson family who owned Xerox Corporation. They are extremely wealthy and "friends of the Rothschilds and Rockefellers". In addition, he was also closely associated with South Eastern US Investment Group (SEUS)—an investment bank in Savannah, Georgia—from 1985 through to 1989. Another proprietary he was involved with was Irving Place Development, a service organisation of Irving Bank and Trust Company. Cocaine proceeds were laundered through these companies by an ingenious use of construction loans.

In response to a question asking why the "drug-related money" was placed in "Arkansas, Colorado and Ohio", Tatum simply explains that he doesn't know why, adding that "It was being done before I got there. I assume banking laws and whether or not Bush had people in his pocket in these areas." He does explain that the primary figure involved in the laundry exercise in Arkansas was "Jack Stephens". Jackson Stephens, owner of Worthen Bank & Trust Company, is closely aligned with President Bill Clinton. Tatum states that "...Clinton received the cash and divided it up between Stephens and [Dan] Lasater to clean it up. Stephens' company [Worthen Bank] was used as the guarantor, providing 'warehouse' lines of credit."

Developing this theme in more detail, Tatum explains that the Enterprise was receiving drugs in exchange for the guns they supplied to the Contras. The raw product in the form of coca leaves was supplied by the Colombians and pressed into large cube-shaped bales and then shipped to Nicaragua and Honduras.<sup>6</sup> All the "product" was pre-sold and the delivery into the US "guaranteed".

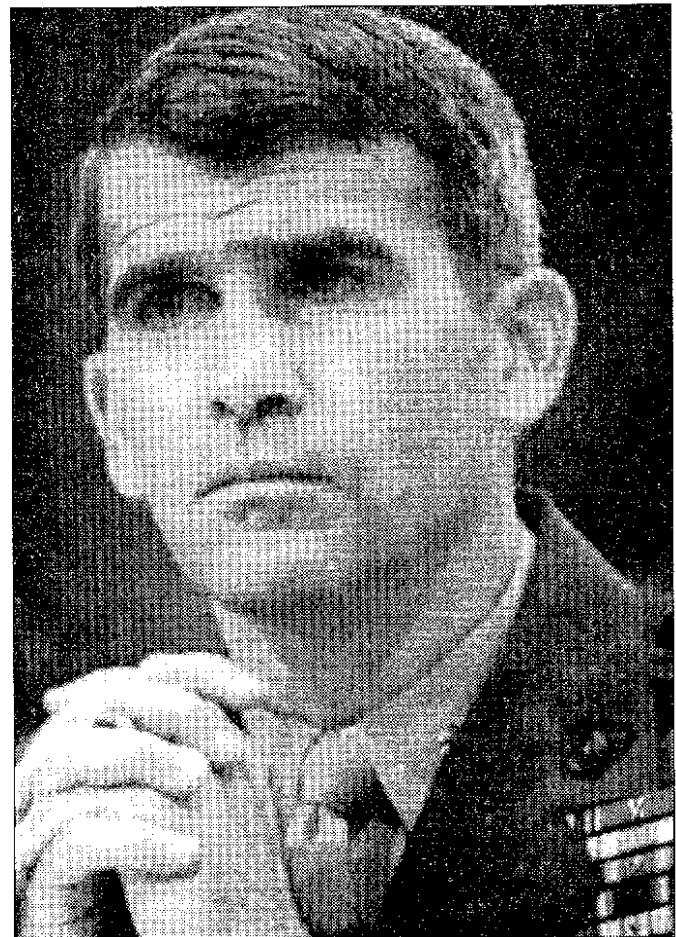
This eventually resulted in the sale proceeds being pre-paid to Panama, under Noriega's control. Some of this money was washed through banks and other companies operating in Panama

and elsewhere. The rest was sent to Arkansas, Ohio and Colorado. Thereafter, the dirty money was filtered via construction loans with permanent "takeouts" "arranged by banks and mortgage-lenders". These, in turn, were later sold to Fannie Mae's and Freddie Mac's—negotiable US Federal Mortgage Securities that are traded globally on a daily basis. Each laundry "cycle" lasted from six months to a year. The result was dirty money transformed into good, clean, US currency.

This system wasn't arbitrary or accidental. One initial "test-bed" was a small residential mortgage lender named Carl I. Brown (CIB) in Kansas. Others were larger, and still others became national. All were ultimately destined to be purchased by a bank (proprietary) from Japan within a specific time-frame, 1996, as part of ongoing Pegasus plans. Eric Brown, the son of the founder of CIB, was heavily involved in these activities. Three additional companies were involved, to Tatum's knowledge: US Homes, Pulte Homes and Richmond Homes. All became very successful, providing "the American dream—as VP Bush put it in a meeting in 1987".

#### **PEGASUS: ASSASSINATION & NEUTRALISATION**

Tatum has gone into considerable additional detail regarding the role of Pegasus as he knew it. He believes Pegasus was established during the Eisenhower years as a secret group inside the CIA to spy on that agency on behalf of the President. At some point—believed to be after the assassination of President Kennedy—Pegasus went AWOL from direct US Government control and came under the direction of an international Board of



Lt Col. Oliver North, Jr, at the Iran-Contra Inquiry

Directors which Tatum alleges now includes George Bush and Henry Kissinger.

The directors of Pegasus meet once a year in secret conclave following G7 meetings. The group has "representation" from a number of intelligence agencies throughout the world. Included are the US Drug Enforcement Administration (DEA), the Central Intelligence Agency (CIA), the Bureau of Alcohol, Tobacco and Firearms (ATF) as well as agents from British, Israeli, Turkish and Danish Intelligence plus "others who performed various functions for Pegasus".<sup>7</sup> The mission of Pegasus, Tatum explains, is "to 'align' world leaders and financiers to our [US] policies and standards".

One of Tatum's Pegasus duties included flying "Archer Teams" (four-man hit teams) in his helicopter to their insertion point.<sup>8</sup> He states that Enrique Bermudez was assassinated in 1991 by a Pegasus team, adding he "was shot in the back of the head while walking down the street...from about 150 yards". Bermudez, known as "Commander Three Eight Zero" was the senior Contra leader. Tatum received two broken ribs when he came under small-arms fire during the assassination.<sup>9</sup>

Following the Nicaraguan war, Bermudez sought a prominent position in the new government. Spurned by President Chamorro, "Commander 380" tried to pressure George Bush to intercede on his behalf, threatening to expose Bush's role in the cocaine trafficking enterprise. According to Tatum, Bush ordered his disposal.

Another Pegasus assassination was that of General Gustavo (Dr Gus) Alvarez Martinez, the "cooperating" Armed Forces Commander-in-Chief, Honduras. Alvarez was assassinated in 1989, following his demand for a bigger split of the cocaine profits.

Tatum also describes his involvement in the assassination of



US President Bill Clinton and Vice President Al Gore

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Amiram Nir, the former Israeli Mossad agent who went under the assumed name of Pat Weber. Nir was scheduled to testify to the Senate subcommittee and it was feared he would reveal the truth. He perished, following the shooting-down of his aircraft with missiles from Tatum's helicopter.

Other "neutralisations" verge on the bizarre. An individual who must remain nameless for a variety of reasons—but whose name is known to this writer—underwent an experience that is both horrific and chilling. Readers are warned that what follows is not at all pleasant. For the sake of ease, I shall call this individual "Mr X" or, simply, "X".<sup>10</sup>

Mr X was a leader of one of the largest CIA-backed Contra groups. He recently testified before the US Senate Intelligence Committee. Formerly, X was a senior executive in a South

American subsidiary of a leading US soft drinks corporation. During his Senate testimony, he denied any knowledge of CIA involvement in the narcotics trade, adding that condoning such activity would have been foreign to his way of life. Not so, says Tatum. Mr X had been recruited into the CIA by then-Director William Casey, with the assistance of Oliver North.

In 1990, when Nicaraguan leader Daniel Ortega announced there would be "free elections", X was ecstatic.

He began jostling for position and asked President Bush to ensure he be given a prominent position in the new government—in return for his years of toil at the behest of the CIA and the Enterprise. The pressure came in a form that Bush could not ignore. Failure to help his friend would result in X's intimate knowledge of Bush's involvement in the dope trade being made public. His threat left Bush with a sour taste. A Pegasus team was assigned to "neutralise" him in early 1990.

Mr X, Tatum states, "fancied himself a lover of women. Tall, large-breasted blondes were his favourite. It was determined that, if effectively neutralised, [X] could be an asset. Therefore, it was decided that intimidation would be used to control [X]."

They chose to use the drug Scopolamine, which also went by the nickname "Burundanga" or "the Voodoo drug". The drug is extracted from the pods of a flowering shrub that grows in remote regions of South America. In its processed, powdered form, Scopolamine is "void of smell, void of taste". When properly administered "it causes absolute obedience" without this being "observable by others". Importantly, the target will not recall any of the events that occurred during the period they were under the spell of the drug.

In outlining these details, Tatum adds that it is important to administer the drug in the correct dosage, for he has known targets to die from too high a dose. Others have "remained under the influence of Burundanga for up to three weeks". Precise dosage can be achieved by liquid ingestion, the powder being readily soluble. Ingestion via cigarettes is also an optimum method of ingestion. It is fast-acting and takes no more than 20 minutes to work.

Tatum states that X was invited to spend a relaxing weekend at a luxury hotel as a guest of his friend George Bush. His host for the weekend was a trusted 18-year veteran field-intelligence officer. The evening started with cocktails and was followed by a fine meal. "'Nothing but the best' were the orders."

Following the meal, he was ushered into the suite of a "blonde bombshell" supplied by the CIA. Mr X had already ingested a

dose of Burundanga during pre-dinner cocktails. X was gallant with the blonde as they both moved into the bedroom where video cameras were already set up in one corner. In short order, the blonde had X standing naked in front of her and began to indulge his desires. All the while, the video cameras whirred. Slowly stripping off, the "blonde" revealed his manhood in all its glory. Mr X was instructed to reciprocate the favour and perform fellatio. He obliged, his intimate activities recorded at 24 frames a second on videotape.

Tatum says the male prostitute was hired from a bar in New York and killed that same evening.

Two weeks later, X—wholly unaware of the events of that evening—was visited in Nicaragua. He was presented with a copy of the video footage, along with instructions. Tatum says that X can never allow that video to be seen: "Not only does it reveal his homosexuality, but it also reveals his bestiality and satanic worship rituals." As frame after frame flicked by, X reportedly wept, forced to watch himself kill his homosexual "lover" and then engage in the most grisly cannibalistic ritual imaginable.

Neutralised, Mr X became a leading member of the Nicaraguan government a few short weeks later.<sup>11</sup>

### PLANNING FOR RETIREMENT

Since 1985, when he first became aware of the Enterprise drug-smuggling, Tatum began collecting documents, audiotapes and videotapes for his "retirement". He was acutely aware that most deep-cover agents do not survive long in what is a very dirty game at a high-stakes poker table.

Tatum says that, in 1992, President Bush instructed him to "neutralise" presidential runner Ross Perot, but he refused to do

so. Tatum turned over a copy of an incriminating tape to President Bush, explaining that it would *not* be released—providing that he, his family and Perot were kept safe. He also told the President that copies of the tape had been placed in six different locations worldwide, saying, "if I didn't contact these capsule-holders by a certain time each year, they are to be sent to the addresses on the packaging". He closed the conversation by stating that when he originally "placed the packages, I gave explicit instructions that if I asked for them to be sent back to me, they were to send them to the addresses on the packages." This, Tatum reasoned, would avoid intimidation or torture.

### Note:

Part 2 of David Guyatt's article will cover George Bush's "scope and mission" paper for the New World Order; Chip Tatum's run-down on the counterfeit "Super Bills" CIA scam in Iran; the truth behind the killing of cocaine king Pablo Escobar; the reasons for the US invasion of Panama; the truth behind ex-DCI William Colby's death; more revelations about Clinton's cocaine confidants; and more "Boss Hogs"...

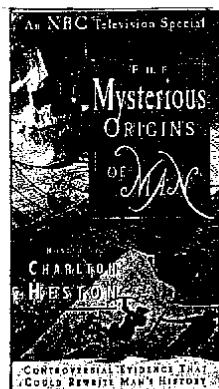
To be continued in the next issue of NEXUS...

### About the Author:

Born in England, David Guyatt is a freelance investigative journalist whose former career in stockbroking and banking gave him the background that inspired his research into the shady world of international weapons financing, drug-running and money laundering. His current research interests are focused on military/intelligence mind-control programs and non-lethal weapons systems, as well as the hidden influence of elitist groups around the globe.

Endnotes are continued on the next page

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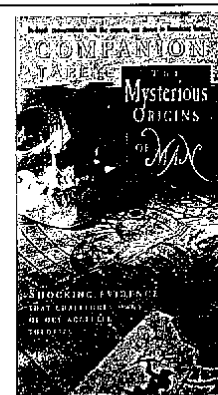
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## Endnotes

1. Tatum has provided me with a variety of documents covering his military and CIA career from 1971 through 1986 when he was discharged from the US Army. His discharge papers outline a series of military decorations and campaign medals including "The Republic of Vietnam Campaign Medal with Device" and the "Vietnam Service Medal" (there are many others). Appended to these papers is a medical report, signed by Major Charlie Talbert, which outlines Tatum's various injuries gained during his military career—and includes notations describing his capture and torture in South-East Asia. Major Talbert reports that these injuries were treated in June 1972, and adds that Tatum's medical records are incomplete "as details on this are classified". I queried Tatum on the date, which should have been recorded as 1971. He responded, saying it was definitely 1971 and that the Army doctor only had "Secret" security clearance whereas Tatum had "Top Secret" clearance (confirmed in other military records, dated 1972, in my possession). Tatum avers that this discrepancy was the result of a typographical mistake on the part of the Army doctor.

Moreover, Tatum's covert role in the CIA is additionally confirmed by other military papers provided to me. In one dated 1974, Tatum's assignment orders were "cut" by a Lt General USAF (name redacted) who was Chief Military Intelligence Adviser to the Joint Chiefs of Staff.

Other corroborative documents in my possession include a US Army payslip dated 1985; a copy of an "Inmate Request Form" on the Hillsborough County Sheriff's Office, showing Tatum was being detained on a "treason" charge; assignment papers to the 3/498th Medac at Fort Campbell, dated 12 April 1984; copies of media news articles describing the attack on Phnom Penh; a news report and photograph of Tatum in Grenada; a Special Forces USA MED-DAC Mission Request Form dated 6 April 1985, detailing Barry Seal's "Boss Hogs" listing; plus hard copies of Tatum's flight logs dur-

ing his Honduras "rotation", additionally supported by photographs of the original flight logs.

I also have a copy of a TWIX message from the Commander US Forces, Honduras (Task Force Bravo), stating to his superiors that "It has become increasingly evident during the past six weeks that Medevac A/C, in direct support of JTFs, in some cases are being utilised for other than Medevac requirements and are being controlled by other than Medevac Officials." Tatum says he obtained a copy of this message from his Pegasus controller.

I also have a copy of Tatum's full book manuscript, "Operation Red Rock", together with a letter he sent to William Colby, dated 6 March 1996, which threaten: "I will not only write about the missions but about the NWO timetable and planned events, including a chronology. And I will name names."

I have other documents that I am not permitted to reveal but which corroborate missions in South America.

2. The word "contact" is not meant to imply that Don Holmes was a CIA type.

3. Tatum says that, through 1985, "aviation support" for Pegasus was primarily out of Palmerola Air Base, Honduras. Ilopango Air Base is in El Salvador and it had "operational" support.

4. Tatum adds that he had limited flights to Bluefields Air Base, Nicaragua, but "primarily the military aircraft used were USAF C-141s and C-130s at Palmerola, La Mesa and San Lorenzo, Honduras. At San Lorenzo there were also civilian aircraft, including civilian C-123s."

5. In addition to flying rotary-wing aircraft, Tatum was also competent flying smaller fixed-wing craft. He had access to both at Fort Drum.

6. Tatum adds in this connection that they were "supplied with leaves and paste called 'bazooko'...the reason for that was because they were not supplying the paste fast enough, so they needed the leaves to make up for the time. The leaves were brought from Peru."

7. I wrote this sentence based on information

provided to me and also extracted from a long list of Q&As prepared by author Rodney Stich for Tatum's attention (and now in my possession). In reviewing this article for errors and omissions, Tatum stated that "there were no US DEA or ATF agents in Pegasus". This appeared to conflict with an earlier reply to one of Stich's questions which stated, in part, that "DEA was represented. We had DEA agents, ATF agents." Naturally, I wanted this clarified and asked Tatum to explain this quite significant amendment. He replied, advising that "there were joint missions where DEA and ATF agents were used...they were not officially part of Pegasus". Nancy Tatum advises that since Chip Tatum was in prison at the time he answered questions submitted by Stich, the "misunderstanding" was hers.

8. Tatum adds that he also "flew fixed-wing, multi-engine props and jets...for the various missions" and he was not limited to rotary-wing aircraft.

9. These injuries occurred during the departure of the "Team", six hours after the assassination itself, when they came under anti-aircraft fire as they flew low-level across the border. Tatum was wearing two Kevlar (lightweight body armour) vests which absorbed the impact of incoming rounds.

10. Tatum has provided me with the name of this individual, a well-known politician. He also asked that I consider excising this account from the article, for a variety of understandable reasons. I have elected to keep it, as I believe it is both an important and highly significant account.

11. I phoned and spoke with Ron Lard, an official at the DEA HQ, Virginia, to ask about the properties of Burundanga. He was unable to provide any information. However, through other sources I can confirm that this drug is well known to cause both amnesia and a zombie-like trance in which the target follows all orders. Dr Camilo Uribe, head of Bogotá's toxicology clinic, says "it's like chemical hypnotism". See *Wall Street Journal*, 3 July 1995.

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# The PEGASUS File

**Former CIA/DIA  
deep-cover agent  
"Chip" Tatum  
reveals more  
disturbing details  
about high-level  
control of global  
drug-running and  
money-laundering  
operations.**

## Part 2

by David G. Guyatt ©1997

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**D**uring his 22 years as a deep-cover CIA and DIA operative, Gene "Chip" Tatum saw or participated in a remarkable series of covert operations. Foremost in his mind are the years 1986-92, when he operated for a group he called "Pegasus". This group operated on behalf of the US and other governments, undertaking tasks that ranged from narcotics smuggling to assassinations.

The name "Pegasus" was, in fact, a 'cover' designation used by Tatum to protect himself against possible prosecution. Earlier this year Tatum revealed the true structure of the group and explained why he felt the need to conceal it. Timing was all important. In a message to this writer, Tatum stated, "It has now been well past the five-year statute of limitations which could have come back and haunted me. That date was January 22, 1997. On January 21, 1992 I walked out of the Jupiter Island meeting to which I referred earlier."

Few individuals, even now, are aware of the significance of Jupiter Island. Located on the Atlantic coast of Florida, just a few miles north of Palm Beach, the island measures a mere half a mile wide and nine miles long. According to authors Webster Griffin Tarpley and Anton Chaitkin, island residents read like a "Who's Who" of the Anglo-American establishment. Many have close connections to the intelligence apparatus and not a few are, or have been, members of the notorious Skull and Bones Society, a secretive and influential Masonic lodge formed at Yale law school.<sup>1</sup> Interestingly, many of the early residents, including Averell Harriman and Prescott Bush—George Bush's father—were strong supporters of Adolf Hitler and his National Socialist Party prior to World War II. Even in recent years, George Bush continued to have unfinished work with Nazis domiciled in South America, Tatum says—especially while the world's eyes were turned towards Saddam Hussein and Iraq during *Desert Storm*. That, however, is another story.

Jupiter Island boasts hyper-security. All vehicles are tracked by sensors placed in the roads and every housekeeper, gardener or other non-resident is required by ordinance to be fingerprinted and registered. Residents themselves are carefully screened prior to being permitted to purchase real estate (many purchase by invitation, it is thought) and one of their primary duties as good residents is to perform active 'surveillance' to ensure the island remains secure.<sup>2</sup> It was here that Tatum met with and discussed sensitive projects with then Vice President and later President Bush, at the residence of his mother, Rose Bush.

### SECRET GOVERNMENT APPARATUS

The so-called Pegasus group's organisational structure, as provided by Tatum, demands recounting in detail. The various presidential orders, which led to the formation and operation of the covert activities in which Tatum and others participated, are significant for they constitute a secret government within a government. This is the power that hides behind the open face of democratic government. Some have called this power base "the Octopus". Activities include high-level narcotics trafficking, illegal transfers of ultra-high-tech weaponry, money laundering on a massive scale and an odd "hit" or "alignment" to keep wobbly-kneed individuals on the straight and narrow.

It was in 1981, according to Tatum, that "President Reagan signed National Security Decision Directive number 3 (NSDD-3) which authorised the Vice President to chair the Special Situation Group (SSG). The Special Situation Group was a division under the National Security Council (NSC). One entity formed to support the SSG was the Terrorist Incident Working Group (TIWG), established in April 1982 by authority of President Reagan in NSDD-30. This group consisted of representatives of the following:

Director of Central Intelligence, Department of Defense (DoD), FBI, NSC staff and others as required.<sup>3</sup>

Tatum explained that, "The purpose of TIWG is to provide SSG with direct operational support. TIWG then recommended to the President that a Terrorism Task Force be formed and chaired by the head of SSG (the Vice President). Reagan approved NSDD-138 in April 1984, which extended TIWG's arm and ability to form sub-groups. As a result of NSDD-138 was the formation of the Operations Sub-Group (OSG). The Sub-Group was a select NSC-DoD-CIA-FBI-foreign intelligence agency which operated so as to bypass the regular operations of intelligence/military/law-enforcement agencies. OSG was formed in February 1986."

Having revealed the framework of the authorising presidential directives necessary for the conduct of these covert operations, Tatum then detailed the nitty-gritty of the OSG: "I was an operative for OSG from April 1986 through January 1992. When I was operating under the authority of the OSG I would report directly to the OSG, not to the CIA or DIA. This 'secret government' apparatus, built by Bush from 1981 to 1986, was able to draw upon assets from the CIA, the DoD Special Operations units and the private sector. Using the private sector clause, Don Gregg, VP Bush's National Security Advisor, included a representative from British Intelligence and Israeli Intelligence. To date I have called this group 'Pegasus' in an attempt not to divulge its true identity until I was on safe ground. Although most of the missions performed by OSG-2 are classified, the existence of the organisation is now declassified."

Until Tatum forwarded these details, the existence of more than one OSG was unknown. In fact, Tatum has now revealed the existence of *three* OSGs. OSG-1 was headed by Ted Shackley and was "our anti-narcotics group".<sup>4</sup> OSG-2 was the anti-terrorism group and OSG-3 was "our 'alignment' group". Tatum was originally posted to OSG-2 which was commanded by Col. Oliver North. The third group, OSG-3, was commanded by Richard

Secord. Following the exposure of Oliver North's role in Contragate in 1987, North resigned as head of OSG-2 and his spot was taken over by Secord. Tatum moved up to command OSG-3 at the same time.

All three OSGs answered to those individuals who sat on the TIWG. General Colin Powell represented the Department of Defense; William Casey, the CIA; and Donald Gregg, the National Security Council. "FBI guys rotated in and out," Tatum says. "It was like they couldn't get anyone," he concludes. Representing British Intelligence was Sir Colin Figure. Formerly head of MI6, Sir Colin transferred in 1986 to become "Security Coordinator", one of the top slots at the Cabinet office under the premiership of Margaret Thatcher. He retired in 1989. Amiram Nir represented Israeli interests until his assassination by an "Archer" team led by Tatum—at the request of high-level Israeli individuals—in 1988. Any of these six could "call a mission". In addition, George Bush could do likewise. Of significance, too, was the occasional representation on the TIWG of Lord Chalfont. The British lord was an adviser on "Mid-East affairs" between 1986 and 1990.

From the moment Chip Tatum was recruited to the OSG, he was posted to upstate New York where he established a number of cover businesses. One of these was Cedar Shores Estates, Inc.<sup>5</sup> This was his base of operations throughout the next six years.<sup>6</sup>

It may be no more than sheer coincidence that the name of the company is similar to Cedar Holdings, a British company that had a relationship to former British Conservative Party Treasurer, Lord (Alistair) McAlpine. Author Peter Jones, in an unpublished book, looked in some detail at the business activities of this Conservative Party "Grey Eminence" and leading Freemason.<sup>7</sup> Of no little interest was the author's detailed connections of numerous companies that he believed were involved in all manner of dark activities. Interestingly, these included a company called Leisure Circle that has a sinuous connection to Sir John Cuckney, one of the central figures of the Scott Inquiry into arms sales to

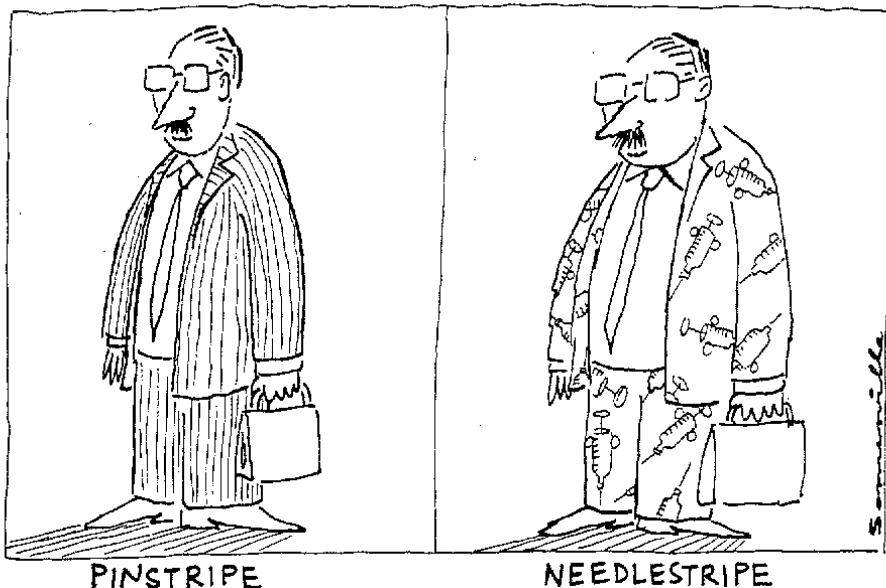
Iraq.

Whilst these connections are admittedly tenuous, to say the least, it should be noted that Tatum's upstate New York operation was also involved in shipping the most sophisticated weapons across the border to Canada. Not least are the known connections between Oliver North's related gun-running operations that saw dirty money being laundered through the British Channel Islands and the London-based BCCI (Bank of Credit and Commerce International). Money laundering was one of the principal activities of Col. Oliver North.

#### THE "SUPERBILLS" STING

One operation of which Tatum has knowledge concerns the so-called "Superbills" or "Supernotes" sting. Years earlier, in the late '60s or early '70s, the CIA had secretly provided to the Shah of Iran a perfect set of printing plates that could

**Amiram Nir represented Israeli interests until his assassination by an "Archer" team led by Tatum—at the request of high-level Israeli individuals—in 1988.**



reproduce US\$100 bills without blemish. Also provided was an intaglio printing press. This special printing press ensures that the etched plate meets paper with tremendous force, creating the distinctive embossed feel of a genuine banknote. In addition, the Shah was also given the ink and banknote-quality paper, enabling him to produce perfect counterfeit US dollar banknotes. The Shah later fled Iran and left the plates and press behind in his confusion. The whole caboodle sat in the mint at Tehran, according to some experts.<sup>8</sup>

According to Tatum, a deal was arranged in the early to mid-'80s between VP George Bush, Panama's Manuel Noriega and the Iranian leadership. A sum of US\$8 billion deposited in the Banco

Nacional de Panama on behalf of Colombian cocaine king Pablo Escobar was "lent" to George Bush. Of this, US\$4 billion was shipped by plane to Iran where it was exchanged at a ratio of one good bill for two counterfeit bills. On the return trip, the 707 aircraft's cargo container carried two shrink-wrapped pallets containing \$4 billion each. The 707 arrived at Howard/Albrook Air Force Base in Panama where the pallets were offloaded under armed guard of the Panamanian military. The counterfeit notes were re-deposited into Escobar's account at the Panama central bank. Under no circumstances could the counterfeit bills be permitted to leave the bank vault—for fear of devaluing the US currency with forged notes—and active steps would later be taken to ensure this.

The other half of Escobar's "good" money was placed into the hands of Nana DeBusia, the grandson of Guyana's first democratic leader. DeBusia was chosen by the CIA's William Casey to launder the massive sum into numerous bank accounts under the joint signatures of VP George Bush and Director Casey.

The next leg of the operation was to retrieve the \$4 billion exchanged with the Iranians for the Superbills. This was facilitated by the supply of military equipment, arms, ammunition and replacement parts for weapons systems. This part of the deal was arranged by Col. Oliver North on behalf of the CIA's William Casey.

The results of these complex manoeuvres were twofold. On the one hand the CIA acquired \$4 billion via the arms sales, for use in future black operations, without the need to rely on congressional oversight or authority. If later caught, Tatum says "...the CIA can report the source of funds as being from an arms transaction with Iran". Some of these funds were then used to support the Contras, whilst the rest disappeared down the ultra-black hole of the Company's covert finances.

Meanwhile, Nana DeBusia had begun laundering the remaining \$4 billion through various banks, including the Vatican Bank.<sup>9</sup> For his trouble, DeBusia was entitled to take a commission amounting to \$200 million. The remaining \$3.8 billion was then secreted in private, numbered accounts around the globe and controlled by George Bush and William Casey.

The operation was complete apart from some necessary mopping-up which occurred over the following years:

1) In 1989, Pablo Escobar was targeted by an intensive US-Colombian "War on Drugs" campaign. He fled into hiding, in fear of his life. Eventually, in 1993, he was tracked down and killed in a police shoot-out. A British TV documentary revealed that the "Cocaine King" was gunned down while attempting to escape and was probably unarmed. The campaign waged against Escobar ensured he could not withdraw the \$8 billion in Superbills. Following his death, the quantity and quality of cocaine shipments from Colombia immediately increased manifoldly, giving lie to the "War on Drugs".

2) Also during 1989, Panama's General Noriega was captured in the US invasion of Panama. Noriega was later convicted and placed in US federal prison under constant guard to ensure his silence.<sup>10</sup>

3) Penultimately, Nana DeBusia was indicted on 32 counts including bank fraud and thereby effectively silenced.<sup>11</sup>

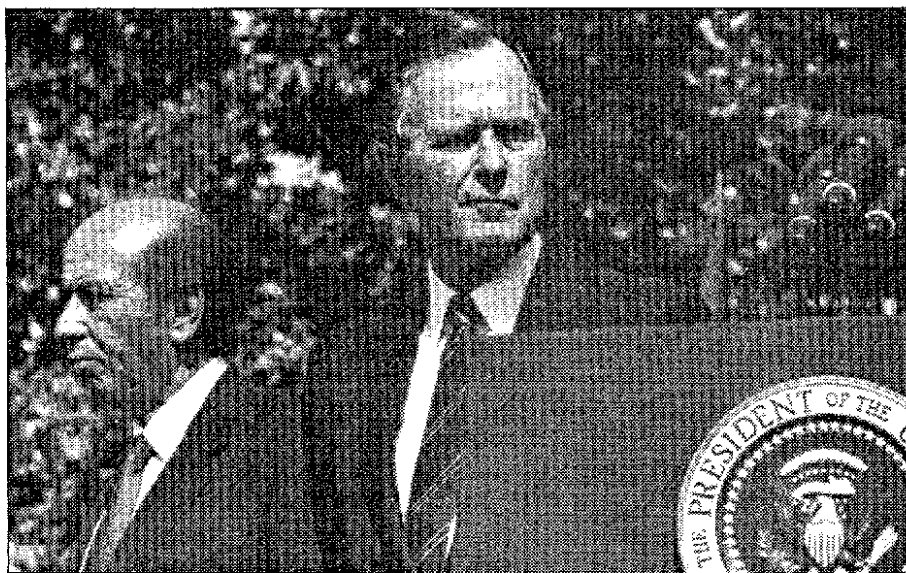
4) Earlier, in 1987, DCI William Casey died of a brain tumour—just days before he would have been required to attend the Senate hearings into the Contragate affair.

According to Tatum, only one figure emerged unscathed: George Bush, who alone retained control of \$3.8 billion in laundered funds. Obviously, the CIA still retained control over the balance of their \$4 billion share of the 'sting' operation.

It is of considerable significance that this operation has been corroborated by another source whose credibility is not in question.<sup>12</sup> This individual was present in Tehran during many of these events, and was later posted to another sensitive location in this connection. Moreover, it has additionally been revealed that Banca Nazionale del Lavoro (BNL) was heavily involved in the Superbills sting. That BNL was an intrinsic part of Oliver North's so-called "Enterprise"—in reality, the OSGs of the Terrorist Incident Working Group—is beyond doubt.<sup>13</sup>

However, the question remains: What did George Bush intend

**...only one figure emerged unscathed: George Bush, who alone retained control of US\$3.8 billion in laundered funds.**



George Bush's favourite Ibero-American leader, Venezuelan President Carlos Andrés Pérez, meets with Bush in Washington. (Photo by Stuart Lewis)

to do with his 'black' \$3.8 billion? What was the ultimate purpose of the operation? Perhaps some of the money was to be used to grease palms and otherwise finance Bush's bid for the presidency following the completion of President Reagan's second term. Maybe it was used to finance other lucrative projects. Perhaps it

holders". In addition there are to be five departments: "Data Resources; Political Management; Economic Management; Military Management; Environmental Management".<sup>14</sup>

#### THE COMPLETE "BOSS HOGS" LIST

|   |   |
|---|---|
| <b>EL SALVADOR</b><br>Duarte<br>Balestaros<br>Maty  | <b>COUNTRY UNKNOWN</b><br>Santa Cruz<br>Echeverri<br>Bolinik  |
| <b>HONDURAS</b><br>Suazo<br>Cordoba<br>Alvarez  | <b>UNITED STATES</b><br>Casey<br>Bush<br>Kissinger<br>Haig<br>Gregg<br>Clairage<br>Fernandez<br>North   |
| <b>MEXICO</b><br>Salinas brothers<br>Albrego  | Clair George<br>Singlab<br>Colby<br>Secord<br>Weld<br>Rodriguez<br>Peroot   |
| <b>US STATES</b><br>Arkansas: Clinton<br>Louisiana: Edwards (Barry's buddy)<br>Kentucky: Gov. in pocket   | Young<br>Marcellas family   |
| <b>NICARAGUA</b><br>Colaro<br>Borge<br>Bermudez<br><br><b>Commanders:</b><br>Fernando<br>Franklin<br>Martin<br>Chamoro<br>Pastora<br>Nora (a woman)<br>Lacayo | <b>COLOMBIA</b><br>Ochoa<br>Leder<br>Navarro<br>Richardo<br>Duran<br>Sarmiento<br><br><b>SAUDI ARABIA</b><br>Fahd<br>Prince B [Tatum believes this to be Prince Bandar] |
| <b>ISRAEL</b><br>Rabin<br>Kimchi<br>Nir<br>(P Ben or Guatamalian [sic.] arms dealer for Israel)<br>Harrari  | <b>IRAN</b><br>Gorba<br><br><b>PANAMA</b><br>Noriega & his brother<br>Harrari   |

But it is in the realm of narcotics trafficking that Tatum is most vociferous. Part 1 of this article recounted the names of high-level US individuals, given to Tatum by Barry Adler Seal before he was killed in 1986. Seal called this the "Boss Hogs" List and it included senior individuals in 11 different countries who, Seal claimed, controlled the global narcotics network. The complete list is reprinted verbatim (including spelling mistakes), and in the manner in which it was written by Tatum on the reverse of a flight log:<sup>15</sup>

#### FULL CIRCLE

In a very real sense, Chip Tatum's story has now gone full circle. In March 1996, Tatum wrote to former Director of Central Intelligence, William Colby. Readers will recall that it was Colby who originally recruited Tatum into the CIA in 1971 and set him on his career as a covert intelligence operator. Since that time, Tatum developed a fondness for the super-spook, and Colby, in turn, played the role of mentor. In his letter, Tatum asked Colby to write a foreword for his book, *Operation Red Rock*, which he had completed just two months earlier. But there was another purpose in writing to the former DCI.

Four years earlier, when Tatum resigned his OSG command, he had volunteered to plead guilty on a felony charge in order to discredit himself. This was part of Tatum's strategy of survival, as he was aware that one didn't resign this particular team and remain alive for long. The fact that he had collected a body of evidence (including video and audio tapes and other related documentation) as 'life insurance', gave muscle to his negotiation. At that time he had not

was to be used to inject financial muscle into another, grander scheme, of which Tatum has recently spoken, involving George Bush's "scope and mission" paper for a New World Order.

A copy of the "scoping" paper supplied to Tatum by George Bush outlines the formation of a Corporation whose purpose is to "...provide a central network of information, analysts and strategists on an international basis in pursuit of world order and economic stability". The "scope" of the Corporation involves four features:

- 1) Centralisation of informational services;
- 2) Analysis of data by region-specific analysts;
- 3) Provide recommendations based upon analysts' reports by international experts;
- 4) Provide international master plan for world growth and economic stability.

The Corporation is to be privately owned with a board of directors "consisting of twelve members, elected annually by the share-

planned to reveal any of the details that he has now provided. In the event, his offer was taken up and he served a prison sentence of just over one year. That is where matters should have ended.

However, having served his sentence—thus complying with his part of the agreement—both Tatum and his wife, Nancy, were subsequently arrested and charged with another misdemeanour. Tatum got angry. His letter to Colby stated: "I have always kept my word with you. I told you that I would discredit myself. I don't need your help to accomplish this. But to charge Nancy with a crime, and expect me to allow this, is beyond my comprehension." He angrily continued: "I know that North and Rodríguez are the fuel for this, but haven't you warned them that I wouldn't sit still for this?" He then added: "I do not blame you for this; I am disappointed that you have allowed the 'Pond Scum' to control you!"

There then followed a warning: "The second book that I have already started will contain my movements from 1980 through

today. I will not only write about the missions but about the NWO [New World Order] timetable and planned events including a chronology." Ominously he added: "And I will name names. You must detach yourself from these people!"

Tatum then continued by outlining how he would enter evidence for his forthcoming trial and warning that if disallowed for reasons of classification, then "a Special Prosecutor will be required to investigate the information, and the videotape tells no lies." He added: "I also had stills and an audio clip of a meeting added to the video. Out of respect for you I have kept your name out to this point, but if you don't separate yourself from these terrorists I will have no choice but to reveal your involvement also. Either way, the group will be exposed—by the media or by the investigating committee. Either way, they're out of gas!" Tatum closed the letter by saying: "Mr Colby—you've done too much for your country to be disgraced in the manner that these men will be."

Less than two months later, the former DCI was reported missing. By Monday 6 May 1996, Colby's body was found. It was later reported that Colby died following a "canoeing" accident on the Wicomico River, Maryland. Tatum and many others (including this writer) doubt this. Throughout his life, Colby had an all-

abiding fear of water. It would have been entirely out of character for him to step voluntarily into a boat, let alone a canoe.

Despite this, Colby's death officially remains an accident. This has come as no special surprise to Tatum, who recently stated to this writer: "I knew the OSG were bulletproof when one of our targets, a 25-year-old, was reported to have died of a heart attack. His name was Al-Jarrah." That, however, is another story.

## POSTSCRIPT

At 3 pm on Friday 4 April 1997—shortly after publication of Part 1 of this article—Chip Tatum was roused from a mid-afternoon snooze and told to report to the warden of his prison. He was informed that he was being released—less than midway through his 27-month sentence—with immediate effect, following an appellate court decision that found his conviction by Judge Adams to be illegal.

The Tatums are now freely enjoying together the sunshine and cajun cooking of Florida, as Chip turns his attention to beginning a new career—his first real job-hunting in 26 years. "Spy stuff" will not form part of his job-search efforts. Meanwhile, he has written and published his *Chronicles* that detail many of his allegations.<sup>15</sup> ∞

## Endnotes

1. Tarpley, Webster Griffin and Chaitkin, Anton, *George Bush: The Unauthorized Biography*, Executive Intelligence Review, Washington, DC, USA, 1992.
2. *ibid*.
3. Additional standing members were the Department of State and the Federal Emergency Management Agency (FEMA). NSDD-30 was classified "Secret". Now partly declassified, the redacted sections nominated NSC staffer Col. Oliver North responsibility for "antiterrorist operations". This included so-called "active measures" to "deter or pre-empt terrorist attack", and established the administrative framework for "CIA projects aimed at killing leaders of radical Islamic organizations". As such, it was an illegal presidential directive. My thanks to Steve Aftergood of the Federation of American Scientists, Washington, DC, for providing research extracts of these and other NSDDs drawn from Christopher Simpson's book, *National Security Directives of the Reagan and Bush Administrations* (Westview Press, San Francisco).
4. Shackley's involvement in the narcotics industry is legion. Not least, Col Bo Gritz—the most highly decorated Special Forces officer in history—has spoken of his encounter with the Burmese warlord Khun Sa. Housed in the centre of the "Golden Triangle", Khun Sa is one of the world's leading exporters of raw opium. In an interview captured on camera, the warlord stated that his primary contact in the heroin business was the CIA's very own Ted Shackley. Shackley worked closely with Mafia chief Santos Trafficante, according to Khun Sa.
5. Tatum has stated that it was routine for all the OSG operatives to establish their own businesses as "covers". Funding was provided as a line of credit with the Key Bank of Central New York, Watertown, New York state, by Republican Harry Hyde. The company was formed by attorney Ben Whittaker. Legal representation was through O'Hara and Crough in Syracuse, NY. Tatum also operated through a number of other similar "fronts". These included Progressive Structures, Inc., Irving

Place Capital & Development, and American National Home Builders.

6. Tatum has provided me with a number of documents of this proprietary company, including details of incorporation, board minutes, bank statements, legal billings and copies of cashed cheques. In addition he has also provided documents relating to other front companies he was involved with.
7. Jones, Peter, *The Obedience of Australia*, privately published, 1995. This book covers in considerable detail Masonic business connections that are shadowy to say the least.
8. For additional details see the article by Fredric Dannen and Ira Silverman, published in the *New Yorker*, 23 October 1995.
9. Tatum says DeBusia laundered this sum through banks in London. Coincidences abound in this story and they may be no more than coincidences. However, I think it is worth citing Gerald James, former Chairman of Astra Plc and one of the principal figures in the Scott affair and arms sales to Iraq. In his book, *In the Public Interest* (Warner Books, 1996), Gerald James has reproduced an internal company memorandum referring to the massive British-Saudi Al Yamamah arms deal in which a sum of US\$4 billion is mentioned in connection with a bribe to Saudi Prince Bandar, a nephew of King Fahd. The memorandum stated: "This 4 bil US was mentioned in connection with M. Thatcher's son." Interestingly, the sum of \$3.8 billion is mentioned in the Kerry Report that looked into the Iran-Contra affair.
10. One of the principal prosecution witnesses against General Noriega was Gabriel Tabóada. Arguably, without Tabóada's testimony (he was regarded as the "star witness") the prosecution case against Noriega may well have failed. Tatum has provided this writer with a number of private letters and other documents written by Tobóada. These clearly show that Tobóada was "coached" by the prosecution in what to say and, more significantly, what *not* to say. Tobóada's correspondence makes it clear he was aware that the prosecution case against Noriega was severely flawed by perjury—a fact known to the prosecution team. Today,

Tobóada lives in fear of his life—a state of affairs that the US Department of Justice dismisses out of hand.

11. Following the intervention of the CIA, DeBusia was acquitted on all counts. Effectively discredited, he will continue to maintain silence.
12. Private communication with this writer.
13. See Alan Friedman's *The Spider's Web* (Faber & Faber, 1993) for a more detailed role of BNL in the Contragate affair. I have been reliably informed that significant portions of Friedman's original manuscript were excised by a wary publisher.
14. It is impossible to judge the veracity of this document for a number of reasons. Principally, the name of the Corporation is not stated and the document itself is typed on blank A4 paper running to three pages. Readers must make of it what they will.
15. A copy of the original flight log is in this writer's possession.
16. *The Tatum Chronicles*, an A4-sized, softbound manuscript, can be ordered by credit card by telephoning (352) 330 1650 (in USA) or +1 (352) 330 1652 (outside USA). It is priced at USD\$19.95 plus postage and handling. The *Chronicles* contain reproductions of Chip's flight logs with notes (front and back), along with an eye-opening commentary.

## About the Author:

Born in England, David Guyatt is a freelance investigative journalist whose former career in stockbroking and banking gave him the background that inspired his research into the shady world of international weapons financing, drug-running and money laundering. His current research interests are focused on military/intelligence mind-control programs and non-lethal weapons systems, as well as the hidden influence of elitist groups around the globe.